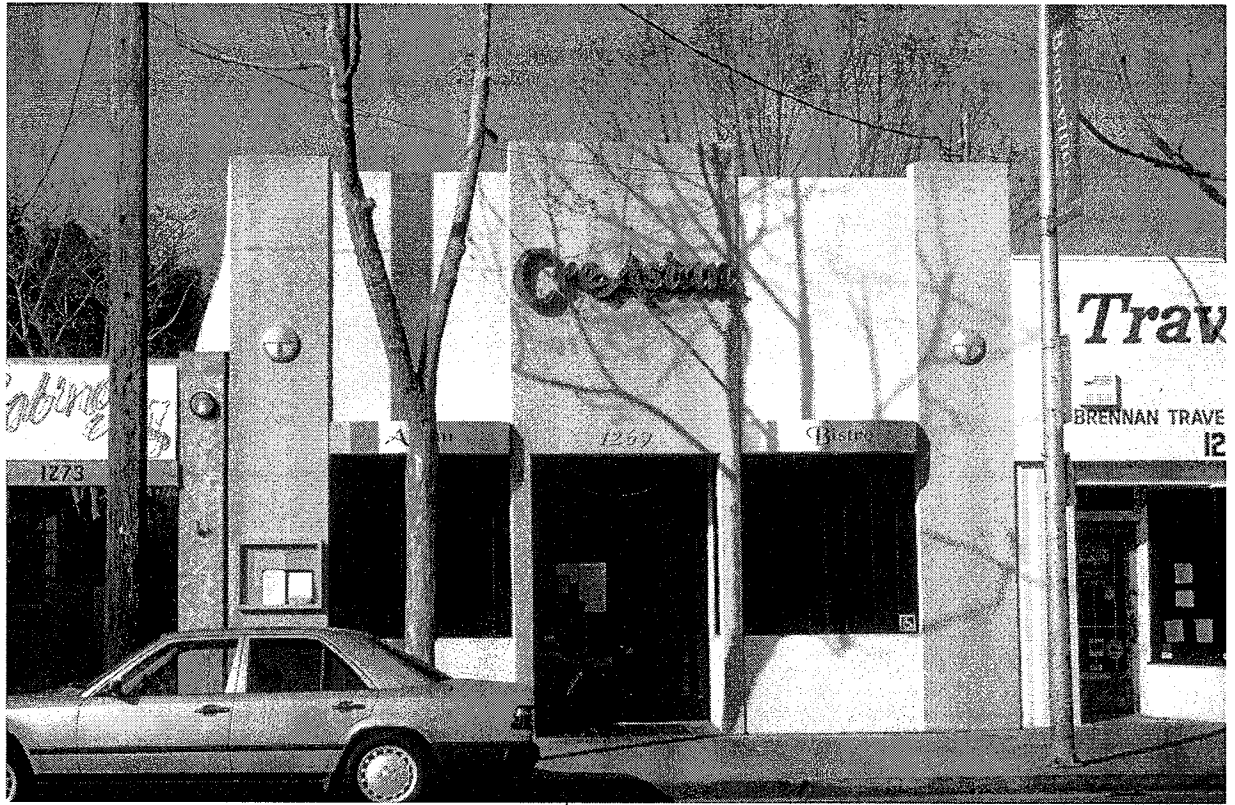


EXHIBIT 7 – Part 8



I. MACARTHUR CORRIDOR

MacArthur Boulevard extends from the Oakland border south for approximately a mile on San Leandro's northeast side. During the first half of the 1900s, MacArthur was the primary highway linking the Central East Bay with the Livermore Valley and points east. Some of the automotive businesses and vacated storefronts along the street are remnants of that era.

Construction of the I-580 Freeway in the 1960s changed the character and function of the street and rendered many uses along MacArthur obsolete. Bypassed by the Freeway, the northern half-mile of the street experienced a period of general decline and disinvestment. The southern half-mile became a freeway frontage road, with commercial uses along the west side and the imposing wall of the freeway on the east. In both areas, the variable condition of the commercial areas stands in contrast with adjacent residential neighborhoods, which have retained their consistently high quality.

The City adopted a Streetscape Plan for MacArthur Boulevard in February 2001 to improve the pedestrian environment, beautify the street, soften the freeway's presence, and stimulate revitalization of the commercial areas. The recommended urban design improvements should be complemented by land use strategies which reflect the different physical environments along the various sections of the street. While mixed use development is called for along the length of MacArthur, physical conditions suggest that residential uses be emphasized in some areas and commercial uses emphasized in others. This approach is supported by the North Area Plan (see text box on Page 112), which encompasses this area.

Retail and service uses should be clustered in the areas between Durant Avenue and Broadmoor Boulevard, Victoria and Superior Avenues, and along the west side of the boulevard between Dutton and the Estudillo (Rite Aid) Shopping Center. Residential uses should be conditionally acceptable, but should be secondary to the commercial uses (e.g., located above or behind the commercial uses). Conversely, residential and office uses should be emphasized in the area between Broadmoor Boulevard and Victoria Avenue. Between Superior and Dutton, the street grid and freeway ramps make mixed use development problematic. In this area, a range of civic and commercial uses such as small offices and service businesses should be encouraged.

The goal in the Dutton to Estudillo area is to create a "Main Street" environment in which people can comfortably walk to businesses and shops. Locally-oriented businesses should reinforce the role of this area as a neighborhood shopping hub for the Estudillo Estates, Broadmoor, and Bay-O-Vista Districts. New construction should strengthen the character of existing architecture and should be sympathetic to the area's historic form and scale. Architectural design guidelines for the corridor are set forth in the North Area Plan. These guidelines remain appropriate and should be implemented as new development takes place.

Please consult the following policies and actions for additional guidance on the MacArthur Corridor: Policy 8.11 (MacArthur Corridor) and Actions 8.10-A (North Area Plan), 8.11-A (MacArthur Boulevard Streetscape Plan), 8.11-B (MacArthur Community Planning Process), 8.11-C (Rezoning of MacArthur Corridor).

J. MID-WASHINGTON CORRIDOR

Washington Avenue stretches more than three miles from the Downtown San Leandro Plaza south to San Lorenzo Creek. The street was initially developed in the 1850s as a plank road linking San Leandro to a wharf in San Lorenzo. It later became a major thoroughfare between the north and south sides of the City and is now the primary gateway into Downtown from the Floresta and Washington Manor areas. Although the entire length of the street warrants close attention, the Focus Area is limited to the roughly one mile section between San Leandro Boulevard and Halcyon Drive. More than any other part of the street, this section has the greatest potential for change and the most extensive opportunities for improvement.

This section of Washington Avenue is presently characterized by a mix of commercial services, light industrial uses, and two major industrial anchors—Ghirardelli Chocolate on the north and Kraft/General Foods on the south. Existing uses on the corridor include a bakery outlet store, a trucking company, brick and stone sales, a furniture store, mini-warehouses, a lumberyard, and several auto body and paint shops. The corridor also includes a new 165,000 square foot office/warehouse that is home to K/P Printing.

The Mid-Washington Corridor is expected to retain its light industrial quality over the next 15 years. The Corridor provides an appropriate setting for the types of uses that presently exist there, including construction products sales and automotive repair. The key objective is to improve the visual quality of these uses and make Washington Avenue a more attractive gateway into Central San Leandro. Design standards should ensure that new buildings are attractively designed and landscaped, and that outdoor storage areas are well screened. Public improvements, such as tree planting, banners and gateway monuments, billboard removal, landscaping, and the undergrounding of utilities should also be pursued here.



As sites become available for reuse, the opportunity to replace existing uses with higher value uses should be considered. The light industrial designation could accommodate additional uses like K/P Printing, as well as a limited number of manufacturing uses. Given the proximity of this area to residential neighborhoods, uses that generate large volumes of truck traffic should be discouraged. Future uses could take advantage of the established presence of construction suppliers on this corridor, or the presence of the food processing industries. This could enable this area to develop a regional reputation as a center for such products (i.e., "Contractor's Row" or "Food Services Row.") Residential uses are not regarded as appropriate along Mid-Washington Avenue due to the potential for conflicts with industrial uses and the ingress and egress constraints along the street.

See the following policies and actions for additional Guidance on the Mid-Washington Avenue corridor: Policy 7.11 (Mid-Washington Avenue Business District) and Actions 7.11-A (Rezoning Mid-Washington Avenue to Light Industrial) and 16.06-A (Washington Avenue Underpass).

BEYOND THE CITY LIMITS: SAN LEANDRO'S PLANNING AREA



A. OVERVIEW

Development outside the City limits has the potential to significantly affect San Leandro neighborhoods and business districts. This is especially true in the area sometimes referred to as “unincorporated San Leandro,” located east and southeast of the City. Many residents and businesses in this area—which includes Ashland, Hillcrest Knolls, the County Hospital complex, and western Castro Valley—have San Leandro addresses and use San Leandro services and community facilities.

The Alameda County Local Agency Formation Commission (LAFCO)—the County Commission charged with reviewing proposals for annexation—has designated these communities as San Leandro’s *sphere of influence*. The sphere is defined by the California Government Code as the “probable ultimate physical boundaries and service area” of a

city. Cities are empowered by the State to consider these areas and other unincorporated areas that bear relation to the city’s future in their general plans. In theory, this provides cities with a means of shaping the future of areas they will eventually annex.

The inclusion of Ashland and western Castro Valley in San Leandro’s sphere dates back to the early 1960s when the Alameda County LAFCO was first created. At that time, San Leandro was operating under a General Plan that called for the annexation of more than four square miles to the east and southeast of Bayfair Mall. The 1958 General Plan envisioned City limits that would eventually extend south beyond Highway 238 to Hayward, and nearly as far east as the present-day Castro Valley BART Station. More 41,000 residents were ultimately envisioned for this area.

For a variety of reasons, these areas were never annexed and continued to develop under the jurisdiction of Alameda County. Most public services, including planning and building, are still provided by the County today. Special districts provide community services such as wastewater treatment and education. The area has grown steadily over the past 40 years, transforming from a semi-rural area of greenhouses, nurseries, and post-war subdivisions into a more urban and diverse community. In 2000, Ashland had a population of about 19,000, while western Castro Valley's population was about 10,000.

The communities comprising the San Leandro sphere of influence are shown in Figure 3-6. The sphere boundary has not been amended since 1963. Although there are no plans to annex Ashland or western Castro Valley, these areas remain of interest to the City. The City is also interested in expanding the sphere to include the former San Leandro Rock Quarry, located east of the City on Lake Chabot Road.

The following sections of the Plan identify the City's current concerns and strategies for unincorporated San Leandro. Because primary planning authority in these areas rests with the County, the discussion is more generalized than that for land within the City limits. The Alameda County General Plan, along with the County Area Plans and Specific Plans that cover these areas, should be consulted for further information and guidance.

Figure 3-7 presents the Land Use Plan for the San Leandro sphere of influence. The Plan reflects the County designations depicted in the Eden Area Plan (for Ashland and Hillcrest Knolls), the Castro Valley Area Plan, and the Ashland-Cherryland Business District Specific Plan. Most of the General Plan designations for these areas reinforce existing patterns of land use. The emphasis is on infill and redevelopment rather than outward expansion of the urbanized area. No changes to the County's designations have been proposed by the City.

The City has no planning jurisdiction over unincorporated San Lorenzo or the City of Oakland. However, development in these areas may impact San Leandro as much (or even more) than development in the City's sphere of influence. The Cities of San Leandro and Oakland have been working for several years to address issues of mutual concern, strengthen the bonds between the two communities, and jointly plan for areas along their common borders. These collaborations should continue in the future.

B. ASHLAND

The unincorporated community of Ashland occupies the triangular-shaped area bounded by Hesperian/Bayfair on the west, San Lorenzo Creek on the south, and I-580 on the east. Ashland was once a major truck farm and greenhouse area, although little of its agricultural past is evident today. The community is mostly residential, with homes ranging from century-old cottages to recent subdivisions. Some of the housing consists of 1950s-era tracts similar to those in San Lorenzo and Washington Manor. However, other parts of the area were developed to County standards, with large lots, narrow streets, and no sidewalks or curbs. The area appears to be a patchwork of older and newer development, sometimes with little continuity from one block to the next. Some of the older housing is in poor condition and is in need of rehabilitation.

Ashland also has several large pockets of higher density housing. Two and three-story apartment blocks, many dating from the 1960s, are located east of East 14th Street between 159th and 165th Avenues. Pockets of higher density housing also exist along Ashland Avenue and San Lorenzo Creek. The quality of this housing is extremely variable. The City of San Leandro is particularly interested in County programs that improve blighted residential properties in Ashland and address the safety and security issues that have arisen at some of these properties.

Commercial uses in Ashland are generally located along East 14th Street and Lewelling Boulevard. The East 14th "strip" includes a large number of car dealerships and auto service uses, while Lewelling contains a mix of retail, service, office, and residential uses. Some of the commercial properties are vacant or underutilized and have been identified by the County as candidates for redevelopment.

The Ashland area includes San Lorenzo High School, a handful of elementary schools, parks and public uses, and a few light industrial uses along the Union Pacific railroad. Ashland also includes the original townsite of San Lorenzo, located to the

northeast of Lewelling and Hesperian Boulevards. Although little remains of the old town, there are a number of homes dating from around 1900 as well as a historic cemetery and church. Preservation of these resources and additional recognition of their historic significance would be desirable and would complement San Leandro's own historic preservation efforts.

Long-range plans for Ashland call for revitalization of the East 14th and Lewelling business districts, rehabilitation of substandard housing, and streetscape improvements along major thoroughfares. Major increases in population are not expected. ABAG projects that Ashland will add about 290 households during the next 20 years (about a four percent increase). Most of this development will occur as infill on underutilized sites. No major changes in land use patterns are expected, although more intensive use of property along East 14th Street may occur.

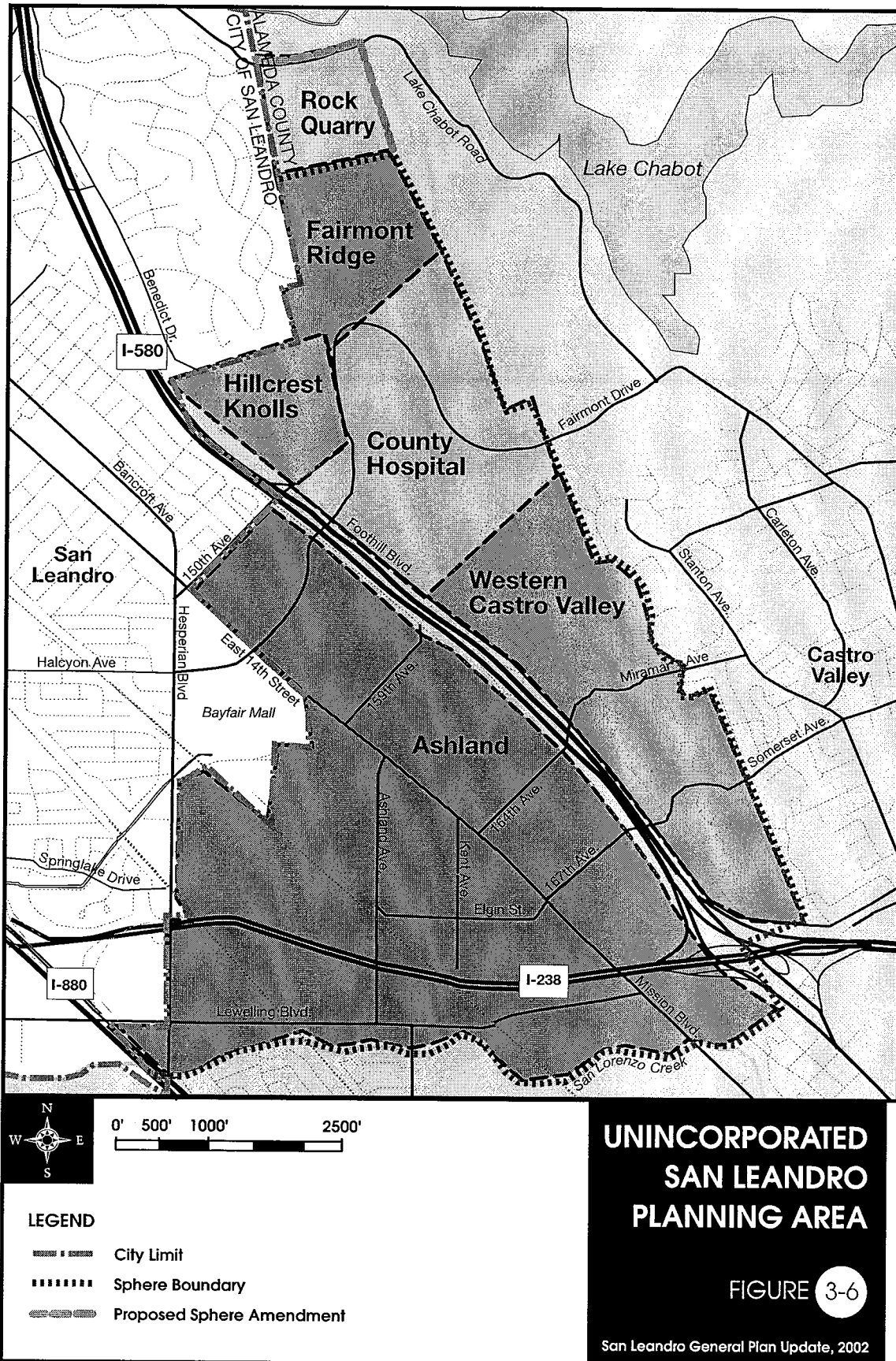
The County's land use plan designates the two-mile East 14th Corridor southeast of Bayfair as "General Commercial or Medium/High Density Residential." This is the County's equivalent to San Leandro's "Corridor Mixed Use" designation. It allows either residential, commercial, or mixed use development, with densities of up to about 40 units per acre. The Ashland-Cherryland Business District Specific Plan includes further standards for how this corridor should be developed and includes an action plan to finance and build specific public improvements. The Ashland Business District is also contained in a Joint City-County Redevelopment Project area that extends into San Leandro along East 14th Street.

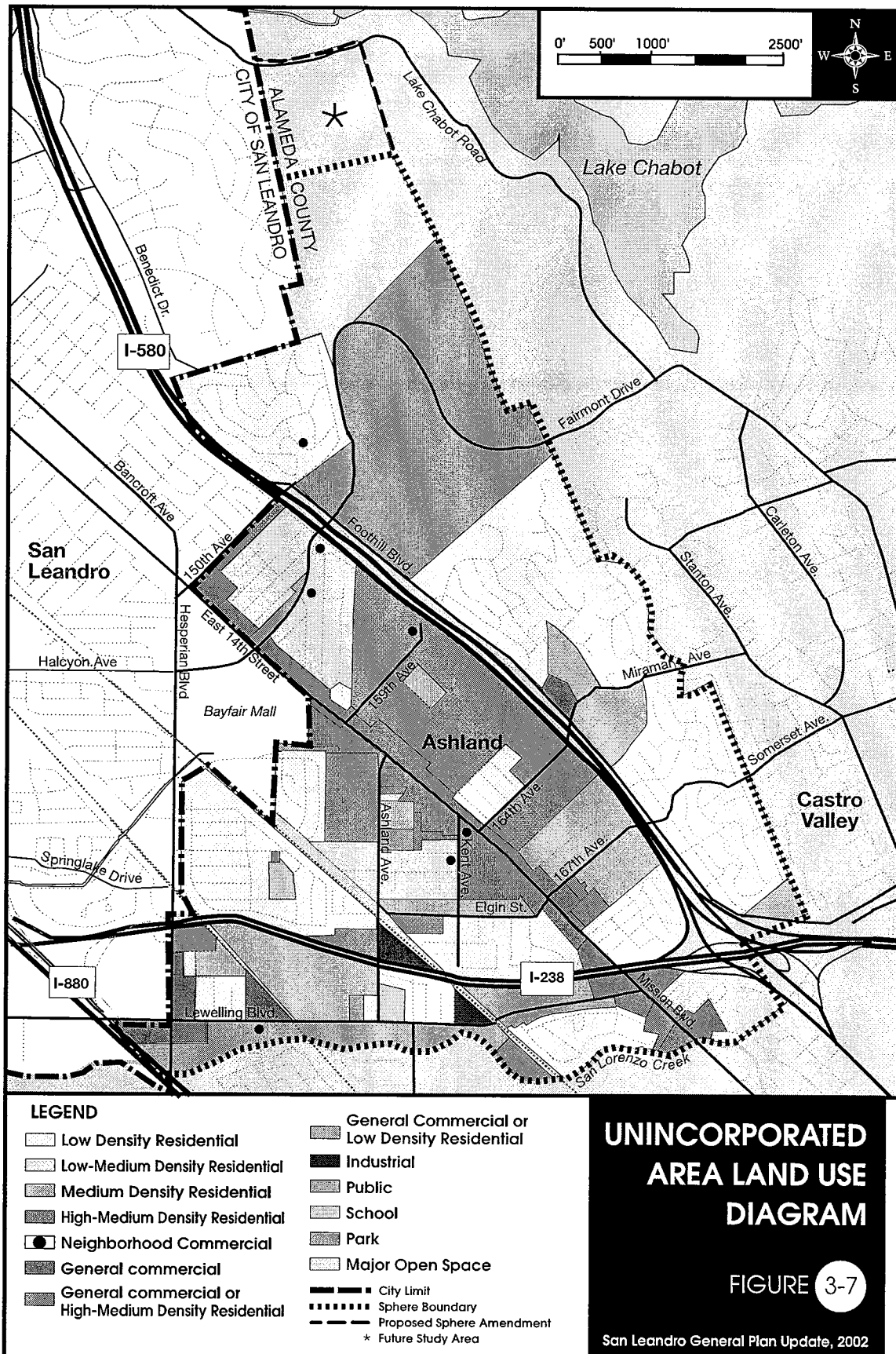
In A Nutshell...

The Unincorporated San Leandro Planning Area

The San Leandro Planning Area includes three-square miles of unincorporated Alameda County located to the east and southeast of the City. Although this area is beyond the City limits, its development has the potential to affect San Leandro neighborhoods and business districts. State law provides the City with the authority to advise the County on its vision for this area through the General Plan. Accordingly, this section of the General Plan establishes the following objectives:

- Work collaboratively with the City of Oakland and Alameda County to address land use, transportation, public safety, and other issues of mutual concern along and beyond the San Leandro City boundaries.
- Actively participate in the review of development and capital improvement proposals for the San Leandro sphere of influence, including Ashland, Hillcrest Knolls, Fairmont Ridge, the County Hospital, and western Castro Valley.
- Pursue the addition of the former rock quarry to the San Leandro Sphere of Influence, to provide the City with greater authority over planning decisions on the site and ensure that the interests of San Leandro residents are represented.
- Support the continued improvement and beautification of the Ashland District, particularly the commercial properties along East 14th Street.
- Maintain Fairmont Ridge as open space, conserving its unique ecological features while minimizing wildfire hazards and supporting passive recreational improvements such as trails.
- Actively participate in long-range planning for the County Hospital properties.
- Conserve the rural-residential character of the Hillcrest Knolls area.
- Promote the preservation of historic resources in the old San Lorenzo Village area (northeast of Lewelling and Hesperian).
- Participate in ongoing discussions regarding the possible incorporation of Castro Valley, and plans for the Western Castro Valley area.





Those parts of Ashland which immediately abut San Leandro or which are gateways into the City are of particular interest to San Leandro residents. The City limits literally run down the center of 150th Avenue, East 14th Street, and parts of Hesperian Boulevard for over a mile, leaving one side of the street under City jurisdiction and the other under County jurisdiction. Even the Bayfair BART Station straddles the City limits, with half of the station's parking lot in San Leandro and the other half in the County. There is little distinction between the "City" and "County" sides of the line; most people perceive both sides as being San Leandro.

Likewise, East 14th Street/Mission Boulevard, Lewelling Boulevard, and Fairmont Drive all traverse unincorporated areas between the freeway exits and the San Leandro City limits. These busy gateway streets present the first impression of San Leandro to tens of thousands of people every day. Fairmont Drive has been attractively landscaped and designed. Other gateways from the unincorporated area would also benefit from improvements that create a more positive impression of San Leandro for visitors and residents alike.

Improvement of East 14th Street in the Bayfair Area is already underway (see Page 114). It is hoped that these changes will spark private reinvestment along the corridor and trigger the redevelopment of marginal commercial uses. As a partner in the Redevelopment Project Area, San Leandro is committed to working closely with the County to make this vision a reality.

Elsewhere in Ashland, the City supports continued implementation of the Alameda County General Plan. The City strongly supports County efforts to upgrade housing, enforce blight ordinances, improve public safety, and promote private and public investment along the area's corridors. Major capital improvement projects within this area include the widening of Highway 238 and the widening of Lewelling Boulevard. Both of these projects may affect traffic circulation within San Leandro and will be closely monitored by the City.

The County presently refers major development proposals or plans for the Ashland area to the City of San Leandro for courtesy review and comment. This practice should continue in the future. San Leandro is particularly interested in the impacts of proposed development on traffic and public services, including schools. Additional long-range planning by and for the Ashland community is strongly encouraged by the City.

The pros and cons of annexing Ashland have been debated in San Leandro for more than 40 years. The benefits would include the City's ability to influence land use decisions in the area and collect tax revenues from development. The key disadvantage is the high cost of providing services to this area, and perhaps more significantly, the cost of bringing parts of the area up to City standards. The dialogue over annexation should continue in the future, with an emphasis on the areas around Bayfair Mall and the Bayfair BART Station. The east side of East 14th between 150th and 159th Avenues is of particular interest, since the area is integral to the future of Bayfair Mall.



C. HILLCREST KNOLLS/ FAIRMONT RIDGE

Hillcrest Knolls is a residential area of about 300 homes located adjacent to the San Leandro City limits on the east side of I-580. The area is characterized by narrow, winding streets, hilly terrain, and single family homes in a country setting. The area is mostly built out, with some potential for infill housing. The Alameda County General Plan maintains the status quo in Hillcrest Knolls, with a "low density residential" designation applied.

Fairmont Ridge consists of a large open hillside to the east of the Bay-O-Vista neighborhood. The ridge is an important visual resource for San Leandro and provides a picturesque backdrop for much of the City. Most of the land was acquired by the East Bay Regional Park District in the early 1990s. The land is designated as Open Space by the County General Plan and there are no plans for additional development there. Due to the steep slopes and aesthetic and ecological value of the area, the ridge

is envisioned as a conservation area rather than an area for active recreation. The City supports plans for trails and staging areas on the site, and continued management to reduce fire hazards and protect natural resources.

At the south end of Fairmont Ridge, the County Hospital complex includes a campus of public buildings along Fairmont Drive and Foothill Boulevard. These buildings include the County Health Department, juvenile justice facilities, maintenance facilities, traffic hearing offices, and a variety of other County offices and service facilities. The County General Plan designates these areas for Public uses. However, most of the landholdings are undeveloped and some of the facilities face an uncertain future. Communication between the City of San Leandro and Alameda County on these areas is important and should continue in the future.

D. WESTERN CASTRO VALLEY

Western Castro Valley includes the area along the east side of Interstate 580 from the County Hospital to Highway 238. The sphere of influence encompasses land west of the crest of the hill, including subdivisions along Foothill Boulevard and Miramar and Somerset Avenues. The area is characterized by single family "view" homes, most built in the 1950s, 60s, and 70s. Closer to I-580, there are several low-rise apartment complexes, motels pre-dating the freeway's construction, and local-serving commercial uses. This area is less integral to San Leandro than other parts of the sphere of influence. Much of the area is perceived as being part of Castro Valley, and would probably be included in Castro Valley if that community were to incorporate.

As in Ashland and the Ridge/Hospital area, the Alameda County General Plan reinforces existing land use patterns. A majority of the area is designated for low or suburban density development. A small area of medium density and commercial development is shown at Miramar Avenue and I-580. County Plan policies anticipate a minimal amount of new homes and jobs in this area and emphasize compatible infill development. The Castro Valley Area Plan is currently being updated and will soon be available for review by the City of San Leandro.

Annexation of western Castro Valley to San Leandro during the next 15 years is unlikely. The City will continue to participate in the review of major development and transportation proposals in this area in the future, along with other changes that could affect services and infrastructure in San Leandro.

E. FORMER SAN LEANDRO ROCK QUARRY

The former San Leandro Rock Quarry is located immediately east of the City limits on the south side of Lake Chabot Road. The Quarry was established in 1886 and provided high quality rock and construction material to communities throughout the East Bay for 100 years. In 1986, the Quarry was closed; the 58-acre site was graded and terraced, and a series of flat areas, benches, and engineered slopes was created. The portion of the site closest to the City limits was later developed as a golf driving range, while the rest of the site remained undeveloped.

The Quarry is currently outside of San Leandro's sphere of influence and is governed by Alameda County's land use regulations. The County General Plan designates the site for open space uses, with a corresponding Agricultural zoning designation. However, because the site adjoins the City limits and has been an integral part of adjacent San Leandro neighborhoods for many years, it is important to address its future use within the City's General Plan. Any development on the site would require City of San Leandro services and most traffic to and from the site would use San Leandro streets.

Previous General Plans for San Leandro anticipated that this area would eventually be annexed to the City and developed with low-density residential uses. The 1989 Plan envisioned densities of about three units per acre, similar to the nearby Bay-O-Vista neighborhood. Clustering of homes was encouraged so that the steeper portions of the site could be retained as open space. The 1989 Plan noted that the site's environmentally sensitive character required particularly high design standards. The Plan also identified the site as a good candidate to capture some of the demand for higher-end or "executive" housing within San Leandro.

During the 1990s, several development proposals were made for the Quarry site, each combining single family housing and open space. The proposals generally called for single family homes on the flatter portions of the site and open space conservation on the steeper slopes. Extensive geologic investigations were made and several environmental impact reports were prepared. However, neighborhood concerns over the visual impacts of development on nearby parklands and developer concerns over geologic hazards presented obstacles to the Quarry's reuse. Finding the right balance between open space and development on the site remains an issue that will be subject to further discussion in the coming years.

This General Plan does not specify a new land use designation for the Quarry site, but rather identifies it as a "Future Study Area." Following adoption of the General Plan, procedures to bring the site into the City's sphere of influence should be initiated. This will allow greater local control over the site and accommodate its eventual annexation to San Leandro. The flexibility to consider a broad range of proposals for the Quarry should be retained throughout this process and into the future.

G. GOALS, POLICIES AND ACTIONS

Goal: **Coordinating Land Use and Transportation**
13 **Coordinate land use and transportation planning.**

POLICIES AND ACTIONS**IMPLEMENTATION STRATEGIES****13.01 DECISION-MAKING**

Ensure that future land use and development decisions are in balance with the capacity of the City's transportation system.

- Capital Improvement Program
- Development Review
- Traffic Monitoring

13.02 KEEPING PACE WITH GROWTH

Improve transportation infrastructure at a rate that keeps pace with growth.

- Annual Budget
- Capital Improvement Program
- DFSI Fee

13.03 MITIGATION OF DEVELOPMENT IMPACTS

Require developers to address the impacts that their projects will have on the City's transportation system. A variety of mitigation measures, including impact fees, street improvements, transportation demand management (TDM) measures, and improvement of non-automobile transportation modes, should be considered.

- CEQA
- Development Review
- DFSI Fee

Action 13.03-A: Impact Fee Review

Review City transportation impact fees annually to ensure that they are competitive with the rest of the Bay Area and adequately address local street improvement costs.

Action 13.03-B: Traffic Analysis Requirements

Require traffic analyses for new development that will generate substantial volumes of traffic. Identify mitigation measures as appropriate to address impacts.

13.04 TRANSIT-ORIENTED DEVELOPMENT

Ensure that properties adjacent to the City's BART stations and along heavily used public transit routes are developed in a way that maximizes the potential for transit use. Such development should be of particularly high quality, include open space and other amenities, and respect the scale and character of nearby neighborhoods.

- Development Review
- Intergovernmental Coordination
- Zoning Code

POLICIES AND ACTIONS *(Hazardous Materials continued)***IMPLEMENTATION STRATEGIES****Action 33.01-C: Review of Groundwater Reports**

Regularly review monitoring reports and other data published by state, federal, and regional agencies to track the condition of groundwater plumes and environmental cases in the City.

33.02**CLEAN-UP OF CONTAMINATED SITES**

Ensure that the necessary steps are taken to clean up residual hazardous wastes on any contaminated sites proposed for redevelopment or reuse. Require soil evaluations as needed to ensure that risks are assessed and appropriate remediation is provided.

- County Hazardous Waste Plan
- Development Review
- Environmental Services Programs
- Hazardous Materials Remediation Programs

33.03**DESIGN OF STORAGE AND HANDLING AREAS**

Require that all hazardous material storage and handling areas are designed to minimize the possibility of environmental contamination and adverse off-site impacts. Enforce and implement relevant state and federal codes regarding spill containment facilities around storage tanks.

- Development Review
- Fire Code
- Hazardous Materials Business Plans

Action 33.03-A: Implement Fire Code

Administer appropriate sections of the Uniform Fire Code to ensure that buildings comply with hazardous materials policies.

33.04**SEPARATION FROM SENSITIVE USES**

Provide adequate and safe separation between areas where hazardous materials are present and sensitive uses such as schools, residences, and public facilities.

- Conditional Use Permits
- Development Review
- Zoning Ordinance

Action 33.04-A: Zoning Review

Consider zoning standards that ensure that new housing is not developed in areas where relatively large quantities of hazardous materials are handled or stored, and that limit the use of hazardous materials by new businesses located in or near residential areas.

33.05**INCIDENT RESPONSE**

Maintain the capacity to respond immediately and effectively to hazardous materials incidents. Provide ongoing training for hazardous materials enforcement and response personnel.

- City Operating Procedures
- Emergency Preparedness Plan

POLICIES AND ACTIONS *(Noise Compatibility continued)***IMPLEMENTATION STRATEGIES****35.05****NOISE-SENSITIVE USES**

Discourage noise-sensitive uses such as hospitals, schools, and rest homes from locating in areas with very high noise levels. Conversely, discourage new uses likely to produce high levels of noise from locating in areas where noise-sensitive uses would be impacted.

- Conditional Use Permits
- Development Review
- Economic Development Programs

Action 35.05-A: Conditions of Approval

When approving development or issuing conditional use permits, establish conditions of approval (including construction hours and operating hours) that minimize the potential for noise impacts on nearby properties.

35.06**MINIMIZING NOISE IN NEW HOUSING AREAS**

In the event that new housing is constructed in areas that exceed normally acceptable noise levels, require project design and construction measures that minimize noise intrusion.

- CEQA
- Development Review

35.07**NOISE REDUCTION MEASURES**

Encourage local businesses to reduce noise impacts on the community by replacing excessively noisy equipment and machinery, applying noise-reduction technology, and following operating procedures that limit the potential for conflicts.

- Conditional Use Permits
- Noise Ordinance

35.08**RESPONDING TO NOISE PROBLEMS**

Continue to respond promptly and effectively to local noise complaints and noise problems, enforcing City codes and ordinances as necessary to ensure that a peaceful environment is maintained.

- City Operating Procedures
- Noise Ordinance

Action 35.08-A: Noise Ordinance Update

Amend the San Leandro Noise Ordinance with the objective of establishing residential "quiet hours" and identifying the types of noise sources to be restricted during these hours. The ordinance should establish fines and penalties for violations and should deal with specific problem activities such as the use of loud machinery and equipment in and around residential areas.